



Will sleepless nights turn into nightmares? New president could add to the troubles of Slovakia's government

By Timea Szabo

It is not easy to be the Slovak government these days. Apart from struggling with only a minority of seats in Parliament, the coalition will now have to face a new president: one who won April's election largely due to the support of opposition parties, many of which have been demanding early parliamentary elections.

Ivan Gasparovic, who will replace Rudolf Schuster and will soon become Slovakia's third president, won much of his support by criticizing the current center-right government and its economic policy. He remained more or less quiet, however, about what he would do if elected.

In the Slovak political system, the president's role is largely ceremonial but he does have an important veto power that can cause headaches for the Mikulas Dzurinda-led government that has been trying to push through painful reforms.

Still, things could have turned out worse for both Slovaks and the government. Gasparovic managed to win only in the second round, defeating his sole rival Vladimir Meciar, who received the most votes in the first round. The result of the first round was seen as a heavy blow to the government whose candidate Eduard Kuka failed to make it to the second round. Domestic and international press reacted to the outcome with great shock. But in the end, the idea of having the chauvinistic Meciar leading the country into the European Union alarmed most Slovaks. "Even a sack of potatoes would have won against Meciar," the Hungarian weekly HVG wrote, citing a Slovak political analyst. That might be true in the capital Bratislava, but in the poorer countryside where the vote was more evenly split, Meciar still has strong support.

Ironically, Gasparovic, called the lesser of two evils by many after the election, was a Meciar ally until 2002, backing him on several controversial policies. He was speaker of parliament during the Meciar government between 1994 and 1998. Then in the summer of 2002, Meciar's party, the Movement for a Democratic Slovakia (HZDS), expelled Gasparovic, leaving the two politicians at odds ever since. Meciar, for one, openly refused to congratulate Gasparovic after the election.

The deterioration of this relationship came in handy for Gasparovic this time. During his term as prime minister, Meciar managed to alienate just about all of Slovakia's neighbors by treating ethnic minorities atrociously. Further, under his leadership, the country almost missed the chance to be in the first group to negotiate accession to the European Union. His more notorious measures included a 1995 ban of the official use of any language other than Slovak. His manipulation of the media, parliament and secret police also caused domestic and international condemnation.

The fact, however, that he came so close to winning April's presidential election was a clear sign of people's disapproval of the Dzurinda government's economic and social reforms. This is a set of reforms deemed necessary for Slovakia to come out of the doldrums and successfully join prestigious clubs like the EU and NATO.

An overemphasis of demands by the EU and others may have been one of the problems, though. Many say that the desire to join the EU has left crucial areas in need of urgent reform abandoned, while the reforms that the government did manage to carry out were communicated poorly to the public. "With regard to EU accession and the impact of that goal on public policy-making, there is a risk that areas of public policy-making are falling behind in attempts to fulfill EU priorities," wrote Miroslav Beblavy and Emilia Sicakova from Slovakia's

Institute of Economic and Social Reforms in their paper "Economic and Social Reforms in Slovakia: On Some Aspects of Public Policy Process and Interest Advocacy," published in April 2002. (See database.) They added that EU accession was also used to formulate and push through unpopular policies in sectors such as health care.

When the Dzurinda coalition won the elections in 1998, the country had a lot of catching up to do in preparations compared to countries like Poland or the Czech Republic that began negotiations two years earlier. Unemployment skyrocketed, reaching 100% in some rural areas with Roma populations, inflation exceeded 10%, and foreign investors stayed away from the country.

Amid relentless international pressure and increasing social unrest, the government reluctantly took on the painful task of reforming the inadequate and expensive health care-, pension- and education systems as well as public administration-, justice- and financial sectors, just to mention a few.

Since then, a new pension system has been approved by parliament, although it will only start operating in 2005. In the health-care sector, patient co-payments have been introduced while patient management and control on expenditures on pharmaceuticals have improved. Reforms have also begun in the poor-quality education system, but an attempt to introduce tuition fees has recently failed. These reforms, however, have failed to benefit the public so far.

Although Dzurinda's party, the Slovak Democratic and Christian Union (SDKU) won the general election in 2002 again, the already thin coalition became a minority in Parliament the following year after one of its governing partners quit. This has made it even more difficult for the remaining coalition to continue passing legislation.

But it was not only former coalition partners and the opposition that disapproved Dzurinda's policies. Slovaks were also becoming increasingly unhappy with his cabinet's performance. According to a nation-wide survey conducted by FOCUS and commissioned by the International Republican Institute in early 2003, 74% of respondents said that the government's economic package would have a "significant impact of their households, forcing them to restrict their consumption on "almost everything."" 65% also expected a worsening of their household's financial situation in the following 12 months, while over 90% declared the situation of jobs, health care, corruption and economy "bad" or "very bad."

In addition, nearly 80% of the respondents thought that the government dedicated too much time to foreign policy at the expense of the solution of problems at home, while most people also said that it was not sufficiently communicating its most sensitive issues--including Slovakia's relations to the USA--to the public.

The only achievement the government could claim in people's eyes was Slovakia's international position. The country became a member of NATO in March and joined the EU on May 1.

People's general discontent was last demonstrated in a widespread protest by some Roma groups in Eastern Slovakia, which were responding to the government's cuts in welfare benefits by looting stores. Over 2,000 soldiers and police were ordered to the streets to stop the violence amid mediation efforts by then-president Schuster. His efforts bore fruit as since then the government has moved to soften the reforms, offering to pay higher benefits to those who do community service. Most of Slovakia's ill-treated Roma, about 10% of the country's total population, live under the poverty line.

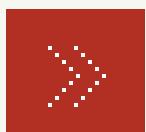
Still, not all see the situation as gloomy. In a recently prepared presentation, the World Bank praised Slovakia's economic performance. It noted that the government has managed to slash inflation from an annual 12% in 2000 to 8.6% in 2003, while GDP growth has reached a sustainable 4% a year. Foreign Direct Investment has been flowing in at the same time.

But the World Bank also points out the shortcomings. It urges further measures to crack down on unemployment, currently at around 17%, compared with about 6% in neighboring Hungary. It also calls on the government to address poverty more efficiently, especially in Roma communities, and to inform the public of its reforms in a more appropriate way. "The government needs to communicate the benefits of (its) reform(s) to the public and improve support for further reforms," the presentation said.

Although Gasparovic has promised not to hamper the reform efforts of the government by using his veto power, he is standing between his promise and his ally opposition parties who have been calling for a referendum on early elections again. Although the last one held just a few weeks ago saw only 36% of eligible voters participate, nearly 90% of those were in favor of early elections.

That should be alarming enough for the current government coalition, which has a long way to go to complete its reform package, and whose several attempts to reconstruct a majority in parliament have failed to this point. And although a recent effort by the opposition to dismiss Finance Minister Ivan Miklos did not gain enough votes in parliament, they said they were not throwing in the towel just yet. Moreover, some members of the coalition also voted for his removal.

If Dzurinda wants to stay in power at least until the next regular elections in 2006, his government must start paying more attention to people by clearly communicating the long-term benefits of its currently painful measures. Otherwise it will not enjoy the prestige of leading Slovakia into the EU for too long.



Article referred to

Miroslav Beblavy and Emilia Sicakova, 'Economic and Social Reforms in Slovakia: On Some Aspects of Public Policy Process and Interest Advocacy,' Institute of Economic and Social Reforms, 2002.
<http://pdc.ceu.hu/archive/00001036/>